



# Entrepreneurial Skills

## INTRODUCTION

Entrepreneurship is being talked about a lot in the world today, and especially in India. Entrepreneurship is the type of self-employment where one is running a business to satisfy the needs of people and looking for ways to make the business better to make profits. This unit focusses on encouraging students to learn about entrepreneurship and its functions from the world around them.

Entrepreneurs are all around us. We would have spoken to a lot of them through the course of this module. We also learnt that successful entrepreneurs have the following qualities.

- They are confident. They believe in themselves and their abilities.
- They keep trying new ideas in their business.
- They are patient.
- They are creative and think differently about business ideas.
- They take responsibility for their actions.
- They take decisions after thinking about them.
- They work hard.
- They do not give up when they face a difficulty.

## SESSION 1: ENTREPRENEURSHIP AND SOCIETY

### NOTES

We learnt last year that the two ways in which one can earn a living are through wage employment and self-employment. Wage employed people are people who work for a person or an organization and get paid for that work. Self-employed people are those who start businesses to satisfy the needs of people. A self-employed person who is always trying to make his/her business better by taking risks and trying new ideas is an entrepreneur.

Example: Ramya and Ramu both own plant shops. Ramu sits at his shop every day. When customers come, he sells to them. Ramya walks around and gets customers to her shop. She also sells seeds and flowers with her plants.

Ramya is working to do more and grow her business. She has also added a different idea to her business. So, Ramya is an entrepreneur and Ramu is a businessman.

### Practical Exercise

#### Activity 1

Entrepreneurs I know: Individual Practice

##### Procedure

- In this activity, we will think of the entrepreneurs we know.

##### Instructions

- Think of 4 entrepreneurs whom you know or have seen.
- Draw circles and in each circle write the name of that entrepreneur, what business they run, and one thing that you really like about their business.
- After writing, share the details of the entrepreneurs with your class.

You have identified entrepreneurs around you. Where do these entrepreneurs do their business?

Entrepreneurs run their businesses in a market. The market has people who buy products and services and people who sell them also. When people are buying and selling from each other, it is helpful for everyone because everyone involved makes money. This is how entrepreneurs help in growing the area and society they live in.



Figure 4.1: Customer needs, wants and demands

Aditi has a store where she sells different types of shampoos. She has many customers. She buys the shampoos in large quantities from a woman. There are two men who work in the store to help her sell.

Aditi is helping people in her area to make money. She is also increasing jobs in her area. Aditi is helping the people in the society around her to live better.

So, what do entrepreneurs do when they run their business?

### Fulfil Customer Needs

Demand means a product or service that people want. Entrepreneurs find out what people want. Then, they use their creativity to come up with a business idea that will meet that demand.

### Use Local Materials

Entrepreneurs use the material and people available around them, to make products at low cost.

### Help Society

Entrepreneurs have a positive relationship with society. They make profits through activities that benefit society. Some entrepreneurs work towards saving the environment, some give money to build schools and hospitals. This way, the people and area around them becomes better.

These are the roles that entrepreneurs do in a society. How do you think entrepreneurs affect the society they live in? Let's read.

### Create Jobs

With the growth of a business, entrepreneurs look for more people to help them. They buy more material, and from more people. They also hire more people to work for them. In this way, more people have jobs.

### Sharing of Wealth

Wealth means having enough money to live a comfortable life. As entrepreneurs grow their business, the people

working for them and in related businesses also grow. They have more money to live a better quality life.

### Lower Price of Products

As more entrepreneurs sell the same product, the price of the product goes down. For example, when more mobile phones were getting sold in India, the cost of the phone became lesser.

Let's learn about the role of entrepreneurs in society by reading Bharti's story.

### Bharti, the Jewellery Queen

Bharti is a young woman from Bihar. Many girls in her area like to wear earrings. She buys jute from a farmer and makes earrings from that. Her business is called Manavi Natural Handicrafts. She sees that most women in her village do not work. So, she hires two women to help her. As her orders increase, she buys more jute. She hires three more women to work for her. The farmer, and the women working for her now earn more money. They are able to save money for their future.

Do you think Bharti is an entrepreneur? Read her story and tick the correct answer for each question in Table 4.1

**Table 4.1**

Questions about Bharti's business	Answers
What demand did Bharti identify in her village?	Options (a) People in her village wanted Jute (b) Girls in her area liked to wear earrings (c) The villagers wanted more water
What is the local resource that Bharti used?	Options (a) Jute (b) Water (c) Sand
How is Bharti helping her village grow?	Options (a) By buying jute from the local farmer who can now earn more money (b) By providing jobs to local women (c) Both (a) and (b)
How was she creating more jobs?	Options (a) By selling earrings to women without a job (b) By buying jute from the local farmer (c) By providing jobs to local women

## NOTES

We've read how entrepreneurs help in the growth of the society around them. Let's try it out ourselves now!

### Practical Exercise

#### Activity 2

Field Work: Let's be an Entrepreneur

##### Procedure

- In this activity, students will find problems on their school campus that can be turned into business opportunities.

##### Instructions

- Form groups of 3 each.
- Take 30 minutes to go around your school.
- Note down 2–3 problems you see on your school campus.
- Write down some business ideas to solve these problems in the table given below.
- Also think about how your business ideas will help the school. One example has been written for you.

Problem	Business ideas	How will this help the school?
For example, plastic cola bottles from the canteen are harming the environment	<ol style="list-style-type: none"><li>Make plant pots out of bottles and sell to students and parents.</li><li>Sell cola in glass bottles.</li></ol>	<ol style="list-style-type: none"><li>The school will look green and beautiful. The air will be fresh.</li><li>The canteen owner will spend less money on buying glass bottles because they can be used again.</li></ol>

### Check Your Progress

#### A. State whether the following statements are True or False

- Entrepreneurs can create jobs in the market.
- When many entrepreneurs sell mobile phones in a market, the prices of phones increase.
- Entrepreneurs identify a need in the market and build a product or service for it.

## B. Subjective question

1. List the ways in which an entrepreneur affects a society.

## What Have You Learnt?

**After completing this session, you will be able to**

- identify the role of entrepreneurs and how they help in the growth of society.

## SESSION 2: QUALITIES AND FUNCTIONS OF AN ENTREPRENEUR

In the previous section, we read how entrepreneurs help in the growth of the world around them. To help society, how do they think and behave?

### Qualities of an Entrepreneur

Quality is a way in which a person acts or behaves. Some examples of qualities in people are hardworking, nice, rude, etc. Read the comic strips in Figures 4.2 and 4.3 and learn about the qualities of an entrepreneur.

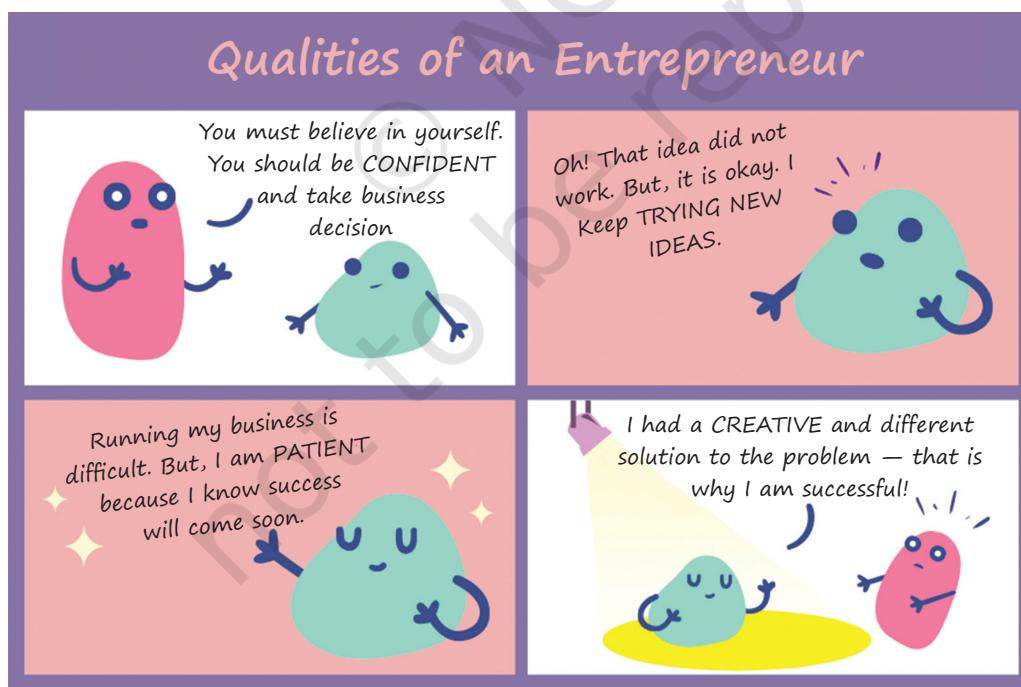


Figure 4.2

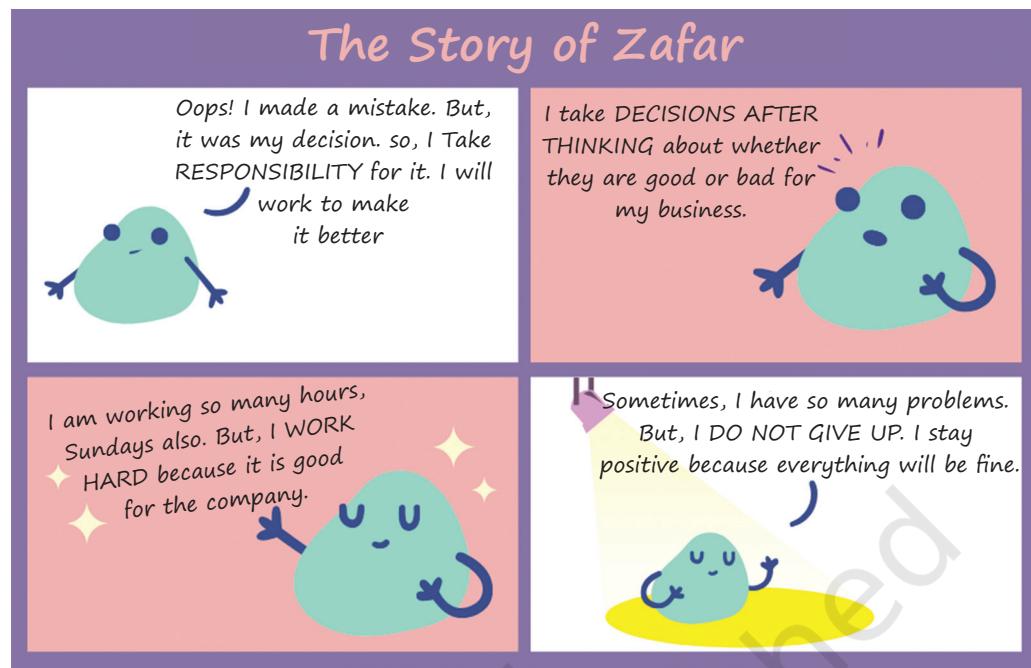


Figure 4.3

We've read about the qualities of successful entrepreneurs. Let us find what the entrepreneurial qualities that we have!

### Practical Exercise

#### Activity 1

My Entrepreneurial Qualities: Self-assessment

#### Procedure

- In this activity, the students will rate themselves on the entrepreneurial qualities mentioned below.

QUALITIES OF AN ENTREPRENEUR	
Y N	Y N
I believe in myself and what I can do. I am confident.	I keep trying new ideas.
Problems take time to get solved. I am patient about solving them.	I think of different ways to solve a problem. I am creative.
I take responsibility for my actions and mistakes.	I think before I make a decision.
I work hard on every task.	I do not give up when I face a problem.

Figure A

## NOTES

### Instructions

1. Listed in Figure A are all the qualities of successful entrepreneurs.
2. Think about yourself. Mark yes or no against each quality.
3. Give yourself a point for every 'yes' answer.

### Debrief questions

1. Look at how many 'yes' you have. You are good at these things. Can you be better at these? How?
2. Look at the 'no' statements. What can you do to learn these qualities?

## Activity 2

Let us Solve a Problem!

### Procedure

- In this activity, students will try and solve a problem in their vicinity.

### Instructions

1. Similar to Activity 1.2, select a problem in the area near your home. This could be a problem that really bothers you.
2. Make a 5-step plan for how you will solve the problem.
3. Implement step 1 of your solution!
4. After that, try implementing all the steps. Try your solution for a week.
5. At the end of the week, rate yourself again on the entrepreneurial qualities you rated yourselves on in Activity 2.2.

### Questions for Discussion

Are your ratings on your entrepreneurial qualities before doing the activity and after doing the activity different?

What qualities did you see yourself apply in the activity? You would have applied some or all of these entrepreneurial qualities while implementing your solution. You did not implement a business solution, but you exercised these qualities anyway.

These are ideal qualities than an entrepreneur has. However, any individual who is trying to solve a problem can be entrepreneurial. If employees of a factory or company work hard to try new ideas to make their company's products better or find creative ways to get work done, they are also showing the qualities of an entrepreneur. They are also being entrepreneurial. If your mother or father work in a company, ask them if they show these qualities.

### Functions of an Entrepreneur

If you were to become an entrepreneur, you now know how you would think and act. But, what would you actually be doing in your business? What work will you do every day? Let's find out.

## NOTES

### Activity 3

Interview an entrepreneur

#### Procedure

- In this activity, students will observe entrepreneurs at work, and speak to them and their employees about their work.

#### Instructions

- Identify an entrepreneur in your area that you like or know.
- On a weekend, spend some time in their shop and note everything that they do.
- After that, speak to the entrepreneur and ask them in detail what activities they do in a day.
- Also speak to somebody who works for them. Ask them what activities they see the entrepreneur do in a day. Write all your notes in Figure a.
- After you are back in class, make a list of all the actions you listed with your teacher. Compare your list with the list of your friends. Notice how many actions get repeated.

ENTREPRENEUR INTERVIEW	
Name of the Entrepreneur:	Spend 30 minutes at their shop. Write down what you see them do.
What business do they run?	Speak to the entrepreneur. Ask them what work they do in a day.
	Speak to someone working there. Ask them what work they see the entrepreneur doing.
	Write any other things you see here.

Figure a

Everyone in class would have spoken to different kinds of entrepreneurs. But, when you compare the responses you got to the responses your friends got, you will see that all entrepreneurs do some common activities. These activities are called functions. Function means working in a way. Functions of an entrepreneur

## NOTES

would be the work that an entrepreneur does. In Figure 4.8, you will read the common functions that all entrepreneurs do.

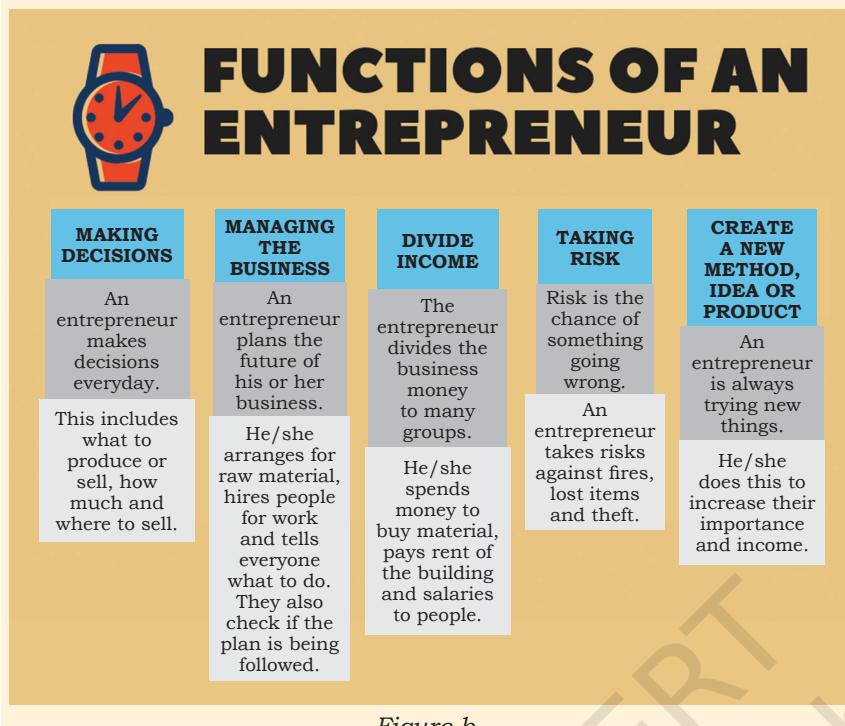


Figure b

## Check Your Progress

A. Here are some stories of some entrepreneurs. Tick the option for the quality they are showing.

- Ravi's customer comes to his store and starts shouting at him. He does not get angry. He listens to what his customer is saying. He is \_\_\_\_\_.  
(a) hardworking  
(b) confident  
(c) patient  
(d) prying new ideas
- Susheela decides to sell her company tyres in Sri Lanka. It does not sell and she has a loss. She apologises to the people who work for her. She says she will plan better next time. She \_\_\_\_\_.  
(a) takes responsibility for your mistakes  
(b) thinks before making a decision  
(c) does not give up  
(d) is creative

**B. Tick the correct option for the function that the entrepreneur is doing.**

1. Ali has a diamond factory. He pays his employees on the 1st of every month.
  - (a) Creates a new product
  - (b) Manages the business
  - (c) Takes risk
2. Mary buys bulbs for her business from Noida. She learns that bulbs are cheaper in Faridabad. So, she decides to start buying bulbs from there.
  - (a) Makes decisions
  - (b) Divides income
  - (c) Takes risk
3. Rehnuma has two people who work for her. Every day, she spends one hour with them to learn about what they've done that day.
  - (a) Creates a new product
  - (b) Divides income
  - (c) Manages the business

**C. Subjective question**

1. What do you think is the most important function of an entrepreneur? Write your answer giving suitable examples.

**What Have You Learnt?**

**After completing this session, you will be able to**

- identify the qualities of successful entrepreneurs.
- list the functions of entrepreneurs.

**SESSION 3: MYTHS ABOUT ENTREPRENEURSHIP**

We know that entrepreneurs are all around us. But even now, how many of us want to be entrepreneurs ourselves? We connect entrepreneurship with some thoughts and opinions. Some people think being an entrepreneur is easy, and some people think it is difficult. Some people may even think they are not meant to be entrepreneurs.

A myth, or a misconception, is a false belief or opinion about something. For example, if we think tall people run faster than short people, we have a misconception. It is not true. The truth is that short people can also run fast.

In the same way, here are some misconceptions we might have about entrepreneurship. We will also read about the actual truth.

## NOTES

### Misconception 1

#### **The misconception is that every business idea needs to be unique or special.**

The businesses mentioned in the activity above are common businesses that we see every day. But, each entrepreneur saw customer demand and brought a new idea into their business. A person can take an idea that is already there in the market and do something different with it.

Ganesh is an entrepreneur who started a car rental business. He wanted to be different from other car rental businesses. So, he thought of a new idea of adding luxury cars like Mercedes and BMW to his business. After 10 years of being in the business, he now has 200 cars, of which 75 are luxury cars.

### Practical Exercise

#### **Activity 1**

Identifying Everyday Heroes

##### **Procedure**

- In this activity, the teacher will make chits about different professions and the students will act them out. There will be a discussion after that. The professions are
  1. a vegetable seller not using plastic bags
  2. a businesswoman running a delivery system
  3. a *chai wala* selling fruit flavoured tea
  4. a gold seller selling gold teeth

##### **Instructions**

1. There will be professions of different people written on each chit of paper. The student reads the profession and acts it out for the class.
2. Identify what each person is doing differently in their business.

##### **Questions for Discussion**

1. Are all these people entrepreneurs? Why or why not?
2. Being a vegetable seller, selling *chai* or selling gold — How many of these are new business ideas? How many of these are common business ideas?

## Misconception 2

### The misconception we have is that a person needs a lot of money to start a business.

The money used to start a business is called capital. Capital is important for starting. However, every business does not need a lot of capital to start. In the activity, you would have seen that every entrepreneur started with a different amount. Some had a lot of money, and some did not. But, they are successful today.

Depending on how much money you have or can borrow, you can start a business with that much money. Once you make more money, you can put that into your business to make it bigger.

### Practical Exercise

#### Activity 2

Talking to Entrepreneurs: Interview

##### Procedure

- In this activity, students speak to entrepreneurs and learn about the money needed to start a business and how to raise money needed for the business. Students should find out how the entrepreneur raised the money for their business.

##### Instructions

- Identify three different types of successful entrepreneurs in your area.
- Ask them how much money they started their businesses with.
- What are the sources?
- How did they raise the money?
- Caution — not everyone likes talking about money. Please ask your questions with respect. If someone does not want to answer, let it be!
- Fill 'Table a' after the conversation.

**Table a**

<b>Entrepreneur Name</b>	E.g. Kashish			
<b>Type of business</b>	Lightbulb shop			
<b>Capital</b>	₹ 50,000 – ₹ 1,00,000			

## NOTES

<b>Year of starting</b>	2001			
<b>How does one raise money for business? What are the sources?</b>	Borrow money from your family, use your own money, etc.			
<b>How did you do it?</b>	I borrowed money from my family.			

### Question for discussion

1. Compare the amounts across the businesses. What do you see?

## Misconception 3

### A misconception we have is that only a person having a big business is an entrepreneur.

Sheila is 35 years old. She loved to drive. She worked hard for five years and bought a taxi for herself. She wanted to be different from other taxi drivers in the city. She said 'hello' to her customers. She would put that day's newspaper in her car, for her customers to read. She had a small TV where customers could watch different channels. She also had a board with the numbers of the nearby hospitals and hotels. Because of this, customers would stand in line to take a ride in her amazing taxi!

After reading Sheila's story, fill up Table 4.2.

**Table 4.2**

What was Sheila doing?	
Why was she doing it?	

Many of us may not call Sheila an entrepreneur because she had a taxi business. However, she was working for herself, was thinking about what her customers would want and was adding good things to her taxi. As per our definition, she is an entrepreneur. No business is big or small. If a person is running a business to fulfill a customer need, they are an entrepreneur. Most businesses start small. It becomes big with hard work and creativity.

## Misconception 4

### A misconception we have is that entrepreneurs are born, not made.

Before we read on, ask yourself this question — Do you think you can be an entrepreneur? Answer as yes or no.

#### Practical Exercise

##### Activity 3

Make and sell

##### Procedure

- In this activity, students make an item in class and step out to sell it to someone.

##### Instructions

- Form groups of 5 people each. The group should have a mix of boys and girls.
- Look into your bags and desks and find any three items. Put them on your desk.
- With the materials you've collected, make an object. Take 15 minutes to do this.
- Now, take 30 minutes to sell it for money, to someone in school.

##### Questions for discussion

Were you able to do it? What do you now think — can you be an entrepreneur?

Sometimes, we think that only some people have the talent for doing business. An entrepreneur is a person who does whatever it takes to make the business successful. In the above activity, you did everything you could do to sell your product. So, you are already an entrepreneur!

Being an entrepreneur starts with a way of thinking. You must believe that anything is possible and it shall be achieved. It starts with thinking of an idea that you want to work on, making it different.

There are four misconceptions we broke about entrepreneurship.

## Check Your Progress

### A. Subjective questions

- What is the difference between a misconception and reality? Give an example.

### B. Match each story below with the misconception about entrepreneurship.

Story	Misconception
Ramu owns a large clothes shop. Shamu has a small store selling handmade sarees. Shamu does not call himself an entrepreneur.	(a) Every business idea needs to be unique or special.
Anna has a great idea for a website. She has ₹5,000. She is waiting for ₹20,000 more, so that she can start it.	(b) Entrepreneurs are born, not made.
In a city of thousands of tailoring shops, Gauri is a tailor who stitches good quality clothes and has a very successful business.	(c) A person needs to have a big business to be called an entrepreneur.

## What Have You Learnt?

### After completing this session, you will be able to

- list the misconceptions around entrepreneurship and the truth behind them.

## SESSION 4: ENTREPRENEURSHIP AS A CAREER OPTION

So far, we have discussed the effect of entrepreneurship on society the qualities and functions of an entrepreneur and misconceptions we might have about entrepreneurship.

In this section, we shall think about entrepreneurship as a life choice.

A career is a line of work that a person takes for life. There are two ways a person can earn a living. They are

1. self-employment
2. wage employment

For example, a doctor who works for a hospital is a wage employed person. If the same doctor has their own clinic, he or she is a self-employed person.

A self-employed person running a business to satisfy a need by trying new ideas is an entrepreneur.

A person who becomes an entrepreneur goes through a career process. This process is as follows:

ENTER	SURVIVE	GROW
		
When an entrepreneur is starting, they are just entering the market to do business.  For example, Sanjana is starting a small grocery store in a locality.	There are many entrepreneurs in the market. The entrepreneur has to remain in a competitive market.  For example, there are many other grocery stores in the area. Yet, Sanjana's store survives the competition and does well. She also expands the store to two more floors.	Once the business is stable, an entrepreneur thinks about expanding his or her business.  For example, after five years, Sanjana has opened a chain of four more grocery stores in the same city. In the next two years, she plans to expand to two other cities.

## Practical Exercise

### Activity 1

Talking about entrepreneurship as a life option

#### Procedure

- In this activity, you will compare entrepreneurship and wage employment.

#### Instructions

1. Get into pairs.
2. Imagine five years in the future — one person in the pair is wage employed and the other person is an entrepreneur. Discuss how your lives are similar and different from each other.
3. Have a debate with your class and your teacher.

## NOTES

### Questions for Group Discussion

1. What differences did you find between entrepreneurship and wage employment as a life choice? What did you find more interesting?

### Activity 1

Presenting about the Power of Entrepreneurship

#### Procedure

- In this activity, students shall prepare and present why they think entrepreneurship is a good life option for a person and for the society

#### Instructions

1. Get into groups of 5 each.
2. Imagine you believe that people should become entrepreneurs. You are speaking at your school assembly. You have to talk to the audience about the power of entrepreneurship. Prepare a presentation for the same.
3. You can use any way to present - talk, draw, act, sing, or dance.
4. You have 15 minutes to prepare. You will have 5 minutes to present.

### Things to remember



1. An entrepreneur does a lot of work in his or her business. One has to learn and practice these actions before they try it out in their business. This can be done by either learning them in school and college or practicing them while working for someone.
2. If you believe in your idea, start your business.
3. Being an entrepreneur can be risky. But if you do not try, you will not know!

You have read a lot about entrepreneurship. Do you want to be an entrepreneur? Write your thoughts in the table below.

### Please add your thoughts about entrepreneurship



Go back to the exercise you went through in Session 1. You thought of some business ideas to solve problems in your school. Take up the same problem, or identify

## NOTES

a new one. Write down business ideas for the problem and select one business idea that you want to try out. Do whatever it takes to run your business. Use the qualities you identified within yourself in Session 2. Remember — if you do not try, you will not know if you want to be an entrepreneur!

### Check Your Progress

**A. Write against the option, if the business idea is of self-employment or wage employment.**

- (a) Cooking in a restaurant
- (b) Owning a clothing business
- (c) Having a *dosa* selling stall

**B. Match the columns**

1. Surabhi opens 5 painting stores across India.	a. Enter
2. There are many coaching classes in Mumbai. Jacob owns one of them. He is starting morning batches to attract more students to his classes.	b. Survive
3. Salma has started her clothing line on the Internet.	c. Grow

### What Have You Learnt?

**After completing this session, you will be able to**

- define the meaning of a career.
- present your opinion about entrepreneurship as a life option.